

Message Text

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ACTION COME-00

INFO OCT-01 EUR-25 ISO-00 DODE-00 EB-11 NSAE-00 RSC-01

TRSE-00 AEC-11 CIAE-00 MC-02 PA-04 PRS-01 USIA-15

SS-20 NSC-10 H-03 L-03 FAA-00 DRC-01 SAM-01 /109 W

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R 071636Z FEB 74

FM AMEMBASSY BERN

TO SECSTATE WASHDC 8677

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E.O. 11652: N/A

TAGS: ESTC, RH, SZ

SUBJECT: JET AVIATION (GENEVA) SA, GENEVA, SWITZERLAND

REF: BERN 0378; STATE A-563 (OEA CASE NO 23(73)-9)

1. GLOOR OF JET AVIATION (JA) TELEPHONED EMBASSY FEB 4, SEEKING CLARIFICATION OF POSSIBILITIES FOR APPEAL ON OEA'S DECISION TO WITHHOLD APPROVAL ON JA'S STATION LICENSE. GLOOR SPECIFICALLY INQUIRED WHETHER IT POSSIBLE HAVE STATION LICENSES REINSTATED WHILE APPEAL PENDING. WE ADVISED HIM THAT TO BEST OUR KNOWLEDGE STATION LICENSE IS SPECIAL PRIVILEGE WHICH IS GRANTED OR WITHHELD ADMINISTRATIVELY. UNLIKE DENIAL ORDER, THERE NO REQUIREMENT FOR FORMAL HEARING. GLOOR APPEARED ACCEPT FINALITY OF OEA DECISION AND STATED THAT JA NEXT STEP WOULD BE TO ENGAGE US LAWYERS TO REPRESENT JA IN WASHINGTON.

2. FROM GLOOR'S REMARKS IT APPEARS THAT JA IS FEELING FULL EFFECTS OF OEA DECISION ON STATION LICENSE. HE SAID THAT OPTION TO IMPORT US-ORIGIN COMPONENTS UNDER SWISS BLUE IMPORT CERTIFICATE NOT REALLY VALID SINCE THOSE COMPONENTS COULD ONLY BE INSTALLED ON SWISS REGISTRY AIR-CRAFT WHICH CONSTITUTES ONLY SMALL PART OF JA'S BUSINESS. GLOOR FURTHER STATED THAT POSSIBILITY OF OBTAINING IMPORT

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CERTIFICATES FROM GOVERNMENTS OF OTHER FOREIGN REGISTERED

AIRCRAFT ON CASE BY CASE BASIS WAS ALSO EXCLUDED BECAUSE SUCH A PROCEDURE WAS NOT COMPATIBLE, TIMING WISE, WITH AIRCRAFT REPAIR AND MAINTENANCE BUSINESS.

3. IN SUM, GLOOR APPEARS TO REALIZE THAT JA COULD WELL BE PUT OUT OF BUSINESS AS FAR AS SERVICING US-ORIGIN AIRCRAFT IS CONCERNED. HE SAID THAT THE DIRECTORS OF JA ARE DECIDING ON A NEW TACK IN THIS CASE, AND IT IS PROBABLE THAT THEIR MAIN EFFORTS WILL BE CONCENTRATED IN WASHINGTON WITH US ATTORNEYS. IMPLICIT IN GLOOR'S REMARKS WAS THE REALIZATION OF THE FUTILITY OF ATTEMPTING TO SOLVE THE PROBLEM IN BERN, EITHER THROUGH THE EMBASSY OR THROUGH THE FEDERAL POLITICAL DEPARTMENT (FPB). INTERESTINGLY, GLOOR ATTACHED SOME IMPORTANCE TO THE SURFACING OF HIRSCHMANN'S NAME IN PRESS COVERAGE OF OEA'S DECISION, BUT DID NOT GO BEYOND INQUIRING AS TO WHETHER THE WASHINGTON POST ARTICLE WAS BASED ON OEA'S FILES ON THE CASE. WE ASSURED HIM THAT IT WASN'T, ADDING THAT THERE HAD BEEN A FLURRY OF PRESS SPECULATION ON THE CASE DATING BACK TO THE TIME OF THE DIVERSION. IT IS CONCEIVABLE THAT THE SURFACING OF HIRSCHMANN'S NAME THROUGH UNOFFICIAL SOURCES WILL CAUSE JA TO CONSIDER HIRSCHMANN'S ROLE, IF ANY, IN THE DIVERSION AS PART OF THEIR PROBLEM. HERETOFORE JA HAS STEERED WELL CLEAR OF MENTIONING THE HIRSCHMANN CONNECTION.

4. EMBASSY HAS HAD RELATED QUERIES FROM FORMER SUPPLIERS TO JA ASKING WHETHER THEY PERMITTED PROVIDE LIMITED VALUE ORDERS (USD 1,000 OR LESS) TO JA UNDER GENERAL LICENSE. GLOOR ALSO RECONTACTED EMBASSY ON FEB 7, STATING THAT SWISSAIR HAD ADVISED JA THAT THEY NO LONGER ABLE PROVIDE AIRCRAFT PAINT (US-ORIGIN) TO JA FOR USE ON SWISSAIR AIRCRAFT. SWISSAIR REP MENTIONED THAT NOTICE FROM WASHINGTON HAD BEEN RECEIVED BY ALL FOREIGN CARRIERS, IN EFFECT, BLACKLISTING JA.

5. ACTION REQUESTED: PLS ADVISE IF LIMITED VALUE DELIVERIES OF US-ORIGIN GOODS TO JA STILL PERMITTED. ALSO WOULD APPRECIATE BEING ADVISED OF NATURE AND ORIGIN OF CIRCULAR NOTICE REFERRED TO PARA 4, ABOVE.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EAST WEST TRADE, AIR CARGO, SPARE PARTS, STRATEGIC TRADE CONTROLS, AIRCRAFT SALES, BOEING 707
Control Number: n/a
Copy: SINGLE
Draft Date: 07 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BERN00500
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BERN
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1974/newtext/t19740250/aaaaburl.tel
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Original Handling Restrictions: n/a
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Review Markings:

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30 JUN 2005

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Status: NATIVE
Subject: JET AVIATION (GENEVA) SA, GENEVA, SWITZERLAND
TAGS: ESTC, RH, SZ
To: STATE
Type: TE
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